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C O N F I D E N T I A L SECTION 01 OF 02 CARACAS 001619

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HQSOUTHCOM ALSO FOR POLAD DEPARTMENT PASS TO AID/OTI (RPORTER)

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TAGS: PGOV KDEM VE

SUBJECT: STATE AND LOCAL ELECTIONS -- 48 HOURS AWAY

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Classified By: POLITICAL COUNSELOR FRANCISCO FERNANDEZ, FOR REASON 1.4(D)

(C) Summary: To the end, Chavez has campaigned hard on behalf of his PSUV candidates in swing states before the November 23 state and local elections. The campaigns officially closed November 20 in the midst of torrential rains that have caused a dozen deaths and are forecasted to last through the elections, creating yet another hurdle for voters to overcome. Political observers tell us that the opposition could win between three and nine governorships and 50 to 100 mayorships, but many races are statistically too close to call and will come down to the ability of either side to deliver voters to the polls. The opposition appears to have squandered its opportunity following December's failed referendum to make significant electoral gains, although even taking just densely-populated Carabobo or Miranda States out of PSUV control would be a major loss for Chavez, who has pledged to win all 22 governorships. His strategy to seek indefinite reelection through another referendum or constituent assembly is likely to rest heavily on his perceived success on November 23. End Summary.

## POLLS SHOW CHAVEZ NOT INVINCIBLE

- 12. (C) Datanalysis pollster Luis Vicente Leon told poloff November 19 that the opposition was only secure in winning Zulia, Carabobo, and Nueva Esparta States. They could win a maximum of eight -- including Tachira, Cojedes, Miranda, Sucre, and Guarico States -- but he echoed fellow pollster Alfredo Keller in contending that these races were statistically at a tie, with neither candidate enough points ahead to be able to forecast a likely winner. Vicente Leon also suggested that PSUV dissident and Barinas mayor Julio Cesar Reyes could win the governorship, contending that the success of even one dissident could dramatically change the political landscape. Miranda and Carabobo States, the second and third most densely-populated states in Venezuela, would each constitute an addition of about 10 percent of the population under a non-PSUV governor. Currently, the opposition and Podemos party's four governorships together contain about 25 percent of the population.
- 13. (C) Polling from the prominent firm Keller and Associates conducted in November indicates that the majority of Venezuelans (71 percent) do not believe there is a an economic crisis currently. They also do not blame Chavez directly for problems, with 61 percent of respondents claiming that when Chavez's promises are not implemented, the blame lies with "those surrounding him." However, the same

poll showed that 64 percent of respondents believe that Chavez is responsible for allowing corruption in the government and 62 percent reject the idea of indefinite reelection. (Note: The poll explains this apparent contradiction as a result of the high personal popularity enjoyed by Chavez. End Note.) The polling also indicates that between 50 and 65 percent of respondents believe that the opposition is not planning a coup, will maintain the social missions if elected, and is not lying when it denounces problems. In its conclusions, the Keller report argues that abstentionism will be the key factor in determining the outcome of the elections.

"IN MIRANDA, CHAVEZ RULES"

14. (C) In Miranda State, Chavez has tried to rally support for his PSUV candidate for governor, Diosdado Cabello, by seeking to shift blame for enduring housing shortages on to wealthy residents. On November 17, the President publicized that the state was in the process of building over 700 apartments for low-income families, with much of the cost being born by the National Housing Bank. The same day, he called for the eradication of large land holdings, telling supporters that "we have to liberate the land from the estate holders," noting that many owners lived in the cities and left their land abandoned. Chavez contended that "a group of people that own the riches, refuse to the majority the minimum resources to be able to live. (These) are the greatest inequalities." While standing next to Cabello at a rally, Chavez told supporters that "in Miranda, Chavez rules. Never again will the squalid (opposition) return to rule in Miranda."

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- 15. (C) Diosdado Cabello announced November 18 that he was asking the Ministry of Justice to investigate a mass cell phone message, allegedly originating from a company in Maracaibo, that advised recipients not to vote for him because he had "betrayed the people." He alluded to a backer who had paid the company to send the message. Cabello will likely finger Zulia governor and Maracaibo opposition mayoral candidate Manuel Rosales, or one of his associates, given the smear campaign carried out by Chavez and his PSUV cronies over the election campaign. On November 18, National Assembly Deputy Mario Isea pledged that Rosales will be arrested for corruption after the elections, whether he wins or loses. Also in Zulia, the mayor of the Paez municipality accused Rosales of discriminating against the indigenous minorities that live in the state by abandoning promised works in the Guarjira area.
- 16. (C) Political observers have told us that Chavez will again seek to overturn the constitutional prohibition on serving more than two presidential terms, despite the failure of his referendum in December 2007. His ability to pursue this change, however, requires that the PSUV retain control over the majority of the governorships and population. If the PSUV wins big on November 23, Chavez is likely to capitalize on his victory by convening a constituent assembly or calling for a referendum to allow him to seek additional terms after his expires in 2011. However, if the opposition makes significant gains and claims gubernatorial seats in densely-populated states like Carabobo, Miranda, and Zulia, Chavez may wait to revive the term issue until he is able to shore up the PSUV's damaged image rather than risk an additional electoral failure.

COMMENT

 $\underline{\P}$ 7. (C) Chavez has sought to bury the debate over issues under a veil of political polarization, distractionist coup

claims, and personalism. Defeating abstentionism among voters on both sides will likely prove the key factor in the elections, and opposition voters may have fewer reasons to fight their way to the polls than Chavistas who are motivated by government jobs, subsidies, and the PSUV machine. Even the recent stormy weather and mudslides are likely to disproportionately affect potential opposition voters in Miranda State, given that much of the damage has been in the more affluent municipalities. Nevertheless, neither side is likely to be able to claim a big victory on November 23. The opposition is poised to disappoint early, unrealistic hopes for taking as many as half of the 22 governorships, while even losing just one or two densely-populated states, such as Carabobo or Miranda, would greatly diminish PSUV control over a relatively large segment of the population. At least one dissident gubernatorial candidate, Lenny Manuitt of Guarico State, is rumored to be preparing to cry fraud in the likely event that she loses. CAULFIELD